

period based on the average nationwide annual growth in eligible lines during the three previous years. For the purpose of calculating growth, the Administrator shall use a simple average of annual growth rates for total switched access lines for the three most recent years as reported in the Common Carrier Bureau Report, Statistics of Communications Common Carriers, Table 6.10—Selected Operating Statistics. Interested parties may obtain this report from the U.S. Government Printing Office or by downloading it from the Federal Communication Commission's website <http://www.fcc.gov/ccb/stats>.

(c) In any study area within which the price cap local exchange carrier has established state approved geographically deaveraged rates for UNE loops, the Administrator shall calculate the Interstate Access Universal Service Support Per Line for each customer class and zone using all eligible telecommunications carriers' base period lines by customer class and zone adjusted for growth during the relevant support period based on the average nationwide annual growth in eligible lines during the three previous years. For the purpose of calculating growth, the Administrator shall use a simple average of annual growth rates for total switched access lines for the three most recent years as reported in the Wireline Competition Bureau Report, Statistics of Communications Common Carriers, Table 6.10—Selected Operating Statistics. Support shall be allocated to lines in the highest cost UNE zone first, and will "cascade" to lines in lower cost UNE zones to the extent that sufficient funding is available. Beginning with the zone with the highest Zone Average Revenue Per Line, support will be applied in the following order of priority:

(1) To all lines in the highest zone, to eliminate the amount per line by which Zone Average Revenue Per Line exceeds the higher of \$9.20 or the Average Revenue Per Line in the next highest zone;

(2) If the Zone Average Revenue Per Line in the next highest zone is greater than \$9.20, then to all lines in both zones to eliminate the amount per line by which Zone Average Revenue per Line exceeds \$9.20 or the Zone Average

Revenue Per Line in the third highest zone. This application of support will continue to additional zones in the same fashion until the amount per line by which Zone Average Revenue Per Line exceeds \$9.20 has been eliminated in all zones, or until the available support has been exhausted;

(3) To all residential and single-line business lines in the highest zone, to eliminate the remaining amount per line that Zone Average Revenue Per Line for these lines exceeds the higher of \$7.00 or Zone Average Revenue Per Line in the next highest zone;

(4) If the Zone Average Revenue per Line in the next highest zone is greater than \$7.00, then to all residential and single-line business lines in both zones to eliminate the remaining amount per line by which Zone Average Revenue Per Line exceeds \$7.00. This application of support will continue to additional zones in the same fashion until the difference between Zone Average Revenue Per Line and \$7.00 has been eliminated in all zones, or until the available support has been exhausted.

(d) Notwithstanding the provisions of § 54.307(a)(2), the per-line support amount determined within each zone by applicable customer class under paragraph (b) or (c) of this section is portable among all eligible telecommunications carriers providing service within that zone.

[65 FR 38690, June 21, 2000; 65 FR 57740, Sept. 26, 2000, as amended at 67 FR 13228, Mar. 21, 2002]

§ 54.808 Transition provisions and periodic calculation.

Study Area Access Universal Service Support amounts for the area served by each price cap local exchange carrier will be calculated as of July 1, 2000, January 1, 2001, July 1, 2001 and thereafter as determined by the Administrator, but at least annually.

[65 FR 38690, June 21, 2000; 65 FR 57740, Sept. 26, 2000]

§ 54.809 Carrier certification.

(a) Certification. Carriers that desire to receive support pursuant to § 54.807 must file a certification with the Administrator and the Commission stating that all interstate access universal

service support provided to such carrier will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended. Support provided pursuant to § 54.807 shall only be provided to the extent that the carrier has filed the requisite certification pursuant to this section.

(b) Certification format. A certification pursuant to this section may be filed in the form of a letter from an authorized representative for the carrier, and must be filed with both the Office of the Secretary of the Commission clearly referencing CC Docket No. 96–45, and with the Administrator of the interstate access universal service support mechanism, on or before the filing deadlines set forth in paragraph (c) of this section. All of the certifications filed by carriers pursuant to this section shall become part of the public record maintained by the Commission.

(c) Filing deadlines. In order for a price cap local exchange carrier, and/or an eligible telecommunications carrier serving lines in the service area of a price cap local exchange carrier, to receive interstate access universal service support, such carrier must file an annual certification, as described in paragraph (b) of this section, on the date that it first files its line count information pursuant to § 54.802, and thereafter on June 30th of each year.

[65 FR 38690, June 21, 2000; 65 FR 57740, Sept. 26, 2000]

Subpart K—Interstate Common Line Support Mechanism for Rate-of-Return Carriers

SOURCE: 66 FR 59728, Nov. 30, 2001, unless otherwise noted.

§ 54.901 Calculation of Interstate Common Line Support.

(a) Interstate Common Line Support available to a rate-of-return carrier shall equal the Common Line Revenue Requirement per Study Area as calculated in accordance with part 69 of this chapter minus:

(1) The study area revenues obtained from end user common line charges at their allowable maximum as deter-

mined by §§ 69.104(n) and 69.104(o) of this chapter;

(2) The carrier common line charge revenues to be phased out pursuant to § 69.105 of this chapter;

(3) The special access surcharge pursuant to § 69.114 of this chapter;

(4) The line port costs in excess of basic analog service pursuant to § 69.130 of this chapter; and

(5) Any Long Term Support for which the carrier is eligible or, if the carrier ceased participation in the NECA common line pool after October 11, 2001, any Long Term Support for which the carrier would have been eligible if it had not ceased its participation in the pool.

(b) The per-line Interstate Common Line Support available to a competitive eligible telecommunications carrier serving lines in a study area served by a rate-of-return carrier shall be calculated by the Administrator as follows:

(1) If the rate-of-return carrier has disaggregated the support it receives in the study area pursuant to § 54.315, the Administrator shall calculate the amount of Interstate Common Line Support targeted to each disaggregation zone by the rate-of-return carrier (targeted Interstate Common Line Support). If the rate-of-return carrier has chosen not to disaggregate its support for a study area pursuant to § 54.315, then the entirety of its Interstate Common Line Support for the study area shall be considered targeted Interstate Common Line Support for purposes of performing the calculations in this section.

(2) In each disaggregation zone or undisaggregated study area, the Administrator shall calculate the Average Interstate Common Line Support by dividing the rate-of-return carrier's targeted Interstate Common Line Support by its total lines served.

(3) The Administrator shall then calculate the Interstate Common Line Support available to the competitive eligible telecommunications carrier for each line it serves for each customer class in a disaggregation zone or undisaggregated study area by the following formula: